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**COUNSEL FOR DLH MASTER LAND HOLDING, LLC
AND ALLEN CAPITAL PARTNERS, LLC, DEBTORS
AND DEBTORS IN POSSESSION**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	CASE NO. 10-30561-hdh-11
	§	
DLH Master Land Holding, LLC,	§	CHAPTER 11
Allen Capital Partners, LLC,	§	
Richard S. Allen, Inc.	§	Jointly Administered
Richard S. Allen	§	
	§	
Debtors.	§	
	§	

**EXPEDITED APPLICATION OF DEBTORS TO EMPLOY
NEWSOURCE PARTNERS AS CONSULTANT
AS OF JULY 6, 2010 PURSUANT TO 11 U.S.C. § 328(a)**

Debtors DLH Master Land Holding, LLC and Allen Capital Partners, LLC (collectively “Debtors”), by their attorneys, MacDonald + MacDonald, P.C., hereby apply to employ NewSource Partners (hereafter “NewSource Partners”) as a consultant as of July 6, 2010 pursuant to 11 U.S.C. § 327(a) and 328(a) and Bankruptcy Rule 2014. In support of this Application, Debtors respectfully represent as follows:

Jurisdiction and Venue

1. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).
2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory basis for the relief requested herein is Sections 327 and 328(a) of the Bankruptcy Code and Bankruptcy Rules 1007 and 9006.

Background

4. On January 25, 2010 (the “Petition Date”), Debtors commenced these cases by each filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.
5. Debtors remain in possession of their assets and continue to operate and manage their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108.
6. No trustee, examiner or committee of creditors has been appointed in these cases.
7. The factual background regarding each Debtor, including its current and historical business operations and the events precipitating these Chapter 11 filings, is set forth in detail in (a) Declaration of Daniel J. McAuliffe in Support of First Day Motions (“McAuliffe Declaration”) and the Declaration of Richard Allen of Background Facts Regarding Debtors (“Allen Declaration”), both of which are incorporated herein by reference (collectively, the “Declarations”).

8. Dwayne E. Toler is the Senior Managing Director of NewSource Partners.

His resume is attached as **Exhibit A** hereto.

9. Debtors propose to retain Mr. Toler and NewSource Partners to perform the following services relating to pre- and post-confirmation matters:

- Assist with all facets of the Company's financial matters related to pre- and post-confirmation of its plan to emerge from bankruptcy.
- Develop financial plans and pro formas relating to current and future business opportunities.
- Analyze current and future business operations and plans to determine financial effectiveness.
- Manage current and prospective lending and equity relationships, as well as relations with current and prospective investors.
- Provide financial analysis and design financial models for the Company related to, among other things:
 - a. Restructuring debt,
 - b. Sales,
 - c. Leasing,
 - d. Joint Venture proposals,
 - e. Investments,
 - f. Operating pro formas, and
 - g. Exit Financing alternatives.
- Identify, source, interface and negotiate with prospective equity and debt sources.
- Provide testimony as requested by Company relating to the bankruptcy plan and confirmation.

10. Mr. Toler's billing rate is \$150/hour and he has committed to personally perform the services requested and to oversee and enter into a subcontract with one

analyst on an “as needed” basis. The analyst’s time will be billed to Debtors at \$110/hour. Neither Mr. Toler nor the analyst will bill Debtors more than 40 hours per week. Once this engagement is approved by the Court, NewSource Partners are to receive a retainer of \$12,000 and Debtors will offset the final payment due to NewSource Partners against the retainer.

11. Unfortunately, while the Court approved Ms. Owen’s employment by the Debtors for many of the same services Debtors are not requesting authority to hire Mr. Toler, Ms. Owen ultimately decided not to work for the Debtors.

12. Debtors desire to employ NewSource Partners effective as of July 6, 2010.

13. Debtors will be requesting expedited treatment of this application as Debtors wish to benefit from NewSource Partners’s services immediately during Debtor’s exclusive period.

Relief Requested

14. Debtors request that the Court approve employment of NewSource Partners to provide services to the Debtors and Debtors in Possession pursuant to 11 U.S.C. §§ 327(a) and 328(a) as of July 6, 2010.

15. Although NewSource Partners will be an independent consultant and not an employee, Debtors request to be able to compensate NewSource Partners in the ordinary course of business as if Mr. Toler and the analyst had become an employee of the Debtors, albeit employees without benefits.

16. NewSource Partners has agreed, subject to this Court's approval, to accept employment on behalf of Debtors on the terms and conditions set forth within this Application.

17. To the best of Debtors' knowledge, NewSource Partners has no prior connection with either Debtor, any creditor, any party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee, nor does it hold any claim against either Debtor or estate other than as described in the Declaration of NewSource Partners (the "NewSource Partners Declaration"), attached and incorporated as **Exhibit B** hereto.

18. As described in the NewSource Partners Declaration and information provided by NewSource Partners, Debtors understand the following: (a) NewSource Partners is "disinterested" within the meaning of 11 U.S.C. § 101; (b) NewSource Partners has no previous connection with Debtors, their creditors or any party in interest, except as stated both herein and within the NewSource Partners Declaration, (c) NewSource Partners neither represents nor holds any interest adverse to either estate; and (d) NewSource Partners has not agreed to share compensation with any party in connection with this case (other than the analyst).

19. Debtors understand that NewSource Partners's hourly rate is not intended to cover out-of-pocket costs and expenses, which shall be reimbursed upon submission of the appropriate receipts as if NewSource Partners were an employee of the Debtors.

20. There are no novel issues of law presented herein.

21. No previous request for the relief sought herein has been made to this or any other Court.

WHEREFORE, Debtors respectfully request that it be authorized to employ NewSource Partners to act on its behalf in this case, effective as of July 6, 2010 and that the Court grant the Debtor such other and further relief as this Court may deem just and appropriate under the circumstances.

Respectfully submitted,

By: /s/ Mark E. MacDonald

Mark E. MacDonald, TX Bar No. 12758300

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**COUNSEL FOR DLH MASTER LAND HOLDING, LLC
AND ALLEN CAPITAL PARTNERS, LLC, DEBTORS
AND DEBTORS IN POSSESSION**

Dwayne E. Toler

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(214) 446-3272 Office (469) 718-0411 Fax
dtoler@newsourcepartners.com

Executive Summary

Professional seasoned executive with comprehensive experience in highly responsible positions involving several industries, utilizing these proven skills in multiple geographic markets:

- Capital Markets
- Capital Restructuring
- Turnaround Management
- Venture Capital
- Principal Investing
- Structured Finance
- Auditing - Public Accounting
- Consulting - Public Accounting
- Bankruptcy Advisory
- Corporate Strategy
- Financial Reporting
- Serving on Boards

Professional Experience

NewSource Partners ~ Dallas, TX	April 2001 - Present
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Senior Managing Director

- Founder of firm specializing in advising firms with respect to their capital structures and challenges, capital market activities, structuring complex transactions and serving as principal in opportunistic investment opportunities.
- Practice recently focused on providing advisory services to clients in financial distress. Services include debt restructuring and capital market advisory work.
- Practice primarily focused on real estate industry.
- Clients in land development, home-building and condominium development.
- Have been published in U.S. Banker as guest writer.
- Have given several presentations to outside groups on subjects involving negotiating troubled debt and the regulatory and financial aspects of such restructuring.
- Served as President and Chief Operating Officer of Charity Capital, an advisory firm that focused on structuring complex financial products using insurance policies to raise money for charities. When first introduced to Charity Capital, the company was insolvent and threatened with numerous lawsuits. I was instrumental in raising over \$5 million in equity capital for the company. Charity Capital advised two nationally-prominent charities in an \$89 million structured finance transaction involving an insurance-based securitization on Wall Street. The charity clients received a large cash infusion at the close of the transaction and an endowment-like program was a secondary result of the transaction. The transaction was the only transaction of its kind ever completed in an institutional environment.
- Served as co-managing partner of a partnership specializing in real estate investment and capital market advisory services; purchased an in-fill tract of land, re-positioned the parcel in the marketplace and sold off to end users, including Fairfield Residential, City Homes and SNK Partners. Investors in partnership realized a 12x return on investment.
- Advised a publicly-traded REIT in their capital market activities.
- Raised approximate \$1.5 million for early stage technology company in Dallas, Texas.

Beneventure Capital ~ San Francisco, CA	September 1999 - March 2001
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General Partner and Chief Financial Officer

- Beneventure Capital was a private equity firm co-founded by Dwayne E. Toler and Gil Amelio, former Chairman and CEO of Apple and National Semi-Conductor. The firm made investments in early-stage technology companies.
- Responsible for originating ventures, capital formation, structuring of investment offerings and raising capital from institutional sources.

Basic Capital Management, Inc.. ~ Dallas, TX

February 1998 - May 1999

Director of Structured Transactions

- Basic Capital Management, Inc. was a manager of five publicly- traded real estate entities with approximately \$2.5 billion of assets.
- Projects included capital market activities on land holdings throughout the United States and hospitality investment offerings.

NewSource Financial Services, Inc. ~ Dallas, TX

January 1987 - January 1998

President and Chief Executive Officer

Consulting firm specializing in:

- Capital Market Restructuring
- Capital Markets
- Turnaround Management
- Principal Investing
- As part of my duties as Trustee for a foreign-situs trust, served on Board of Directors of NYSE company; served on Audit and Compensation Committees.
- Restructured approximately \$1.5billion of debt for various clients in real estate industry, floral industry, trucking industry and financial institution industry.
- Served as a debtor advisor in three bankruptcy cases.
- Served as co-general partner in numerous partnerships focusing on purchasing distressed debt. Investors realized approximately 42% internal rate of return, net of fees and carry.
- Served as consultant to high-net worth family based in Plano, Texas with holdings in financial institutions and real estate.

Kenneth Leventhal & Company ~ Dallas, Texas

September 1984 - December 1986

Manager

- Served as Audit and Consulting Manager
- Audit clients included global real estate developers, syndicators and investment firms.
- Consulting engagements focused on restructuring troubled debt for large real syndicators, home-builders, land developers and global real estate investment firms.
- Taught several partner/manager seminars on regulatory accounting as it applied to troubled debt.
- Advised financial regulatory agencies, including FDIC, FADA and FSLIC, with respect to troubled real estate projects.

Capital Consolidated, Inc. ~ Indianapolis, IN

May 1982 - August 1984

Assistant Controller

Arthur Andersen & Co. ~ Indianapolis, IN

July 1978 - April 1982

CPA/Audit Senior

Details for these career positions available upon request.

Education

Indiana University ~ Bloomington, IN

B.S. / Accounting - May 1978

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DECLARATION OF NewSource Partners, its employees and agents

1. I declare the following is true and correct under penalty of perjury as required by 28 U.S.C. § 1746 and provide the following unsworn declaration under penalty of perjury for consideration by the Court under Bankruptcy Rule 9011(e).
2. I am a resident and citizen of Dallas County, Texas and am over 18 years of age.
3. I have personal knowledge of the facts set forth herein and am competent to testify as to the same. I have never been convicted of a felony or crime of moral turpitude.
4. **NewSource Partners, its employees and agents** do not hold or represent an interest adverse to the estate.

5. **NewSource Partners, its employees and agents** are not a creditor, an equity security holder, or an insider of the Debtors.

6. **NewSource Partners, its employees and agents** are not and were not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the Debtors.

7. **NewSource Partners, its employees and agents** does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

8. I am not related and no principal or employee of NewSource Partners is related to any United States District Judge or United States Bankruptcy Judge in the Northern District of Texas or to the United States Trustee for such district or any employee in the offices thereof.

9. If any of the above information changes during the pendency of the case, I will promptly inform the Court of such change.

10. I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED this 30th day of June, 2010, in Dallas, Texas.

*Dwight E. Toler, Senior Managing Director and Sole Managing
Member of NewSource Partners LLC.*